

The Feedbag

Getting Connected

MoDOT & Patrol Employees' Retirement System

July 2018

Volume #5



Director's Note

The election for the active and retired trustee positions for the MPERS Board of Trustees recently concluded with the results announced in this edition of *The Feedbag*. Voter participation was just over 10 percent using the electronic voting process. That

is a little better turnout than we had when the election was conducted using paper ballots. And to put the icing on the balloting process cake, our electronic elections cost a fraction of what they used to with all the paper, postage and staff involvement. On the other hand, it is a little discouraging to not have better participation because casting the ballot is so

easy, and I can say that with confidence because when it comes to technology I am not very savvy. If I can register on the MPERS website, navigate my account, and cast a vote, then just about anyone can. If for any reason you have trouble with the site, our staff is a great resource for getting you online. And do not forget, access to our website does not have to be through a desktop computer. With our recent system upgrades, access is very functional through almost any electronic device, including your tablet or smartphone.

But why should you care about this election? What purpose do these trustees serve? In simple terms, the MPERS Board of Trustees holds ultimate responsibility for the administration and performance of the system; the system being the entity that will pay you a benefit upon your eventual retirement. Getting paid something that is owed is generally pretty important to most people. That being the case, it seems reasonable to be attentive to the individuals that oversee it.

Trustees serve without compensation and generally meet four or five times a year. That may not seem like many meetings. That is where I come in. The board has hired me to manage the day-to-day activities. I provide them with updates at least monthly and more often when important details or events need to be brought to the trustees' attention. Recently I was asked during a speaking engagement, "who advises the board?" My answer was, "I do." While that response was correct, my answer was too brief and did not

adequately convey that we have a team of 17 staff members here at MPERS, all with special expertise, that support the decision making of the board. On top of that, we have several consultants that are hired to help navigate the more challenging aspects of the operation. We consider two consultants in particular to be our strategic partners. Our actuarial firm makes sure the costs of the system are understood and adequately funded. Our investment consultant ensures the board is informed with not only protecting system assets but also growing them within reasonable risk tolerances.

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MPERS Trivia #1

In what year was MPERS established?

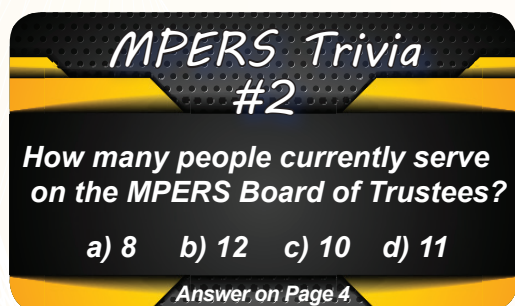
- | | |
|---------|---------|
| a) 1950 | b) 1955 |
| c) 1960 | d) 1945 |

Answer on Page 4

Director's Note...continued

For the board to meet its obligations under the law, each trustee has a personal responsibility to uphold the highest fiduciary standards and to actively participate in the governance of MPERS. Being a fiduciary is a legal relationship of trust where one party (i.e., the board of trustees) must act for the exclusive benefit of another party, in this case plan members (i.e., you).

It is a personal mission of mine to make the role of our trustees easier, but do not assume a trustee's job is easy. Trustees are asked to study a considerable amount of material and make important and often complex decisions throughout the year. There is really nothing easy about it. If MPERS owes you a benefit now or in the future, you owe it to yourself to stay informed. Part of that is participating in the election process, knowing your elected representative on the board, and reading board meeting summaries and other important information that we distribute for each of you. For more details about the MPERS Board of Trustees, click the *Trustee* tab on our website.



Purchasing Service Costs



One feature of our public defined benefit plan is the ability for vested members to transfer or purchase prior public service. As a reminder, service performed for a state agency covered by the Missouri State Employees' Retirement System (MOSERS) may be transferred free of charge to the member.

Board Election



The last ballot for the 2018 board election was cast on Friday, May 31st. During its June board meeting, the board accepted the voting results which indicated that Sgt. Matt Broneic and Mr. Todd Tyler retained their active member board seats representing the active Patrol employees and active MoDOT employees, respectively. Their terms are four years.

There was no retiree board member election this year as only two retired members submitted nominating petitions. When that happens, the retirees that submit properly completed nominating petitions are elected by default and no actual voting takes place. Ms. Sue Cox and Mr. Bill Seibert will be returning as board members representing the retired MoDOT and retired Patrol members, respectively.

While MOSERS-covered service is free, some public service must be purchased. Even though this article is not going to get into the intricate details of all the different ways and applicable statutes members can use to purchase service, we did want to let our members know about a recent change that will impact service purchase costs. Effective with the adoption of the FY 2018 valuation report (to be approved at the September 27, 2018, board meeting), the cost to purchase service may increase or decrease depending on the type of service to be purchased. This is because our assumed rate of return will go from 7.75 percent to 7.0 percent. The assumed rate of return is used when calculating the cost to purchase prior public service.

We wanted to ensure that our active members were aware of the rate change if any member was contemplating the purchase of prior public service between now and our September board meeting. If you are in a position to purchase prior public service and want to know how this rate change will impact your costs, please email us or call us with your questions. If you simply want more details on purchasing service please visit <https://www.mpers.org/members/service-purchases-and-transfers/>.



Board of Trustees Meeting Schedule

September 27, 2018

November 29, 2018

All Electronic Communication Effective July 2018



Any members **who retire on or after July 1, 2018**, will have their correspondence delivered electronically through our website, except for 1099-R tax forms. Therefore, **if you retire on or after July 1, 2018**, your retirement paperwork must include a valid personal email address. If you do not have a personal email, you can easily obtain one from numerous providers. Some common providers of free email are Gmail, iCloud Mail, Outlook Mail,

Yahoo Mail, Hotmail, and AOL Mail, just to name a few.

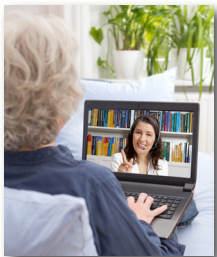
You will receive an email each time you receive new correspondence, which includes each time your monthly benefit has been paid. Your correspondence may be viewed by logging into your *myMPERS* Secure Member Access account. Other online capabilities available for retirees and their survivors in *myMPERS* Secure Member Access are the following:

- Access your secure account information – always available
- Change your federal and/or state tax withholdings electronically
- View 1099-R forms as soon as they are printed
- View details of each monthly benefit payment
- View MPERS-related beneficiary designations
- Update your address, phone numbers, and/or email address
- Vote for board members during board elections

Here are a few key reasons why we favor electronic communication over paper:

- More secure way to access or change information
- Improved accessibility of information
- Information is available as soon as it is generated in our system
- No postal delivery delays
- Available 24/7
- Lowers our printing costs
- Lowers our postage costs
- Manpower savings
- Environmentally friendly

Video Counseling Sessions



MPERS is pleased to announce that we now offer video counseling sessions over the internet. Our use of video counseling is not intended to reduce the number of pre-retirement seminars or special counseling sessions at your office, district or troop. Rather, it is simply one more way we can reach out to our members to answer questions they may have when making retirement decisions. While such capabilities would reasonably be used more often by our members that are located the greatest distances from Jefferson City, any member is invited to use this new communication tool.

This new method of communication is made available through our partnership with MoDOT and is available to employees of MoDOT and the Highway Patrol. Additional information on video counseling can be found on our website (www.mpers.org) under *Members* and then *Seminars/Counseling*.

Anyone can use the video counseling communication tool. However, there are some basic requirements listed below that are needed:

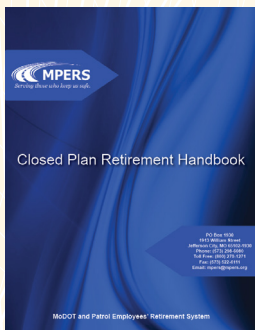
- A computer, tablet, or smartphone with a high-speed internet connection, speakers, microphone, and video camera (most newer laptops have video cameras)
- Google Chrome or Firefox web browser
- Link to online video counseling: <https://join.modot.org/>

Should you wish to use video counseling for a retirement counseling session, simply contact Mary Jordan or Jamie Mullen at 800-270-1271 and ask them to set up a mutually agreeable date and time. We hope you take advantage of this new method of communication.

Don't forget to follow us on:

Facebook Twitter





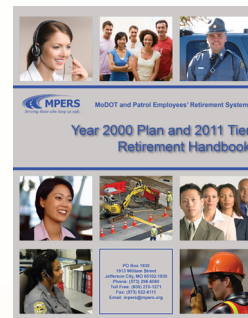
MPERS Retirement Handbooks

MPERS provides a wide variety of resources to our members to explain their retirement, survivor and disability benefits. One of the main sources of this information is our retirement handbooks. There are two versions, a *Closed Plan Retirement Handbook* and a *Year 2000 Plan and 2011 Tier Retirement Handbook*. (If you are unsure which retirement plan you are a member of, see *Which Plan Am I In*, under the *Members* section of our website). Both handbooks have recently been updated and are available on our website www.mpers.org.

Remaining Pre-Retirement Seminars for 2018

July 24 th	Jefferson City
August 21 st	Jefferson City
August 29 th	Sikeston
September 6 th	West Plains
September 11 th	Rolla
September 21 st	Jefferson City

Please take some time to review the handbooks and familiarize yourself with the benefits available to you as a member of MPERS. While the retirement handbooks provide information about all aspects of your benefits through MPERS, there are also webinars and brochures available for more specific, targeted topics contained in these books. Check out our website to learn more about MPERS and the benefits available to you!



MPERS Trivia - Answers

#1 In 1955, Senate Bill 66 was passed, and the Highway Employees' and Highway Patrol Retirement System was established. Senate Bill 66 became effective August 29, 1955. On October 1, 1955 the system accepted 109 retirements.

#2 An **eleven** member Board of Trustees is responsible for the oversight of MPERS. The board consists of the following:

- three members of the state highways and transportation commission
- the superintendent of the highway patrol
- the director of the department of transportation
- a state senator
- a state representative
- an active transportation department employee
- an active highway patrol department employee
- a retired transportation department employee
- a retired highway patrol department employee

Contact Information

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"The Feedbag" was conceived to get attention for a specific purpose - feedback. It worked! So we decided to keep the theme and return the favor by delivering important information to our members via these newsletters. Input on the content of these newsletters, or anything related to MPERS for that matter, is always welcome. Keep the exchange going and share your feedback with us at mpers@mpers.org.